

**LICENSES AND CONSUMER SERVICES
LICENSE INSPECTOR'S REPORT**

License Number: L186-50173 **Police File Number:** 13348

Date of Application: December 5, 2012

Inspector: Michele Harvet, 612-673-5484

Applicant/Legal Entity: Bright Red Group, LLC

DBA/Trade Name: Smack Shack

Complete Address: 603 Washington Avenue North, Minneapolis, MN 55401

License Requested: On-Sale Liquor with Sunday Sales, Class E

Current License: None

Purpose of Application: To obtain a new On-Sale Liquor License

Responsible person within 75 miles of Minneapolis City Hall: Josh Thoma

Public Hearing Required: Yes

License Conditions: Not at this time

Neighborhood/Ward: North Loop / 5

Zoning: B4N/DP – This is a permitted use in the Downtown Neighborhood District/Downtown Parking Overlay District

7 acre requirement: Met

Off-Street Parking: The Office of the Zoning Administrator has determined that no parking spaces are required to be provided on site.

Churches or schools within 300 feet of the proposed premises: No

Seating: Inside: 200 Seats Outside: None

Fire Occupancy: Inside: 337 Maximum Capacity Outside: N/A

Food Service Requirement: The applicant is not within 500 feet of a residentially zoned district and is within the Downtown zoning district. They are not required to operate as a restaurant subject to the 60/40 ratio of food to alcohol sales. They meet the minimum food service requirement.

Hours of operation proposed: Sunday through Thursday : 11:00 A.M. to 1:00 A.M.
Friday and Saturday: 11:00 A.M. to 2:00 A.M.

Metropolitan Council Service Availability Charges: A new SAC determination advised that thirty-two SAC units are due for this business. This has already been paid by the applicant.

HISTORY OF LOCATION

This location used to be warehouse space prior to this establishment constructing there. It has not held a business license prior to this time.

APPLICANT

The applicant is Bright Red Group, LLC; a Minnesota limited liability company formed on October 22, 2012, under Chapter 322B (Charter Number 623499200024) having the required restriction on the transfer of shares and has the following owners:

<u>Name</u>	<u>DOB</u>	<u>Title</u>	<u>Shares</u>
Kevin Fitzgerald	9/2/68	President	27.63%
Josh Thoma	9/7/70	Vice President	27.63%
Thomas Rogers	9/16/68	Equity Owner	2.25%
Michael Zweigbaum	5/17/73	Equity Owner	6.75%
Jerry Goodwald	7/28/58	Equity Owner	6.00%
Bernard Berrian	12/27/80	Equity Owner	2.50%
Jennifer Arndt	1/11/72	Equity Owner	1.25%
Peter Hafiz	6/13/60	Equity Owner	15.00%
Stewart Hafiz	10/25/64	Equity Owner	4.00%
Joseph Palen	9/14/44	Equity Owner	7.00%
North Loop Historic Partners			0.00%

The applicants have experience in owning and operating a restaurant. They meet all minimum requirements including criminal and financial background checks.

MANAGER

The manager at Smack Shack will be Josh Thoma. Mr. Thoma has worked in the food and alcohol service industry since 2002 by operating Solera, La Belle Vie, Bar La Grassa, Barrio and Smack Shack (food truck).

POLICE REVIEW

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The First Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

PREMISES

The premises are on the first floor at street level and on the second floor (mezzanine level). The entire premises occupy approximately 7500 square feet. Approximately 4500

square feet is for the seating areas. There are approximately 200 seats at tables and booths. There is a food service counter with twenty-one seats. There is a bar with sixteen seats. The rest of the establishment consists of a kitchen, preparation area, coolers, storage areas and rest rooms. There are no undefined spaces and the restaurant is compact and contiguous. There is no outdoor area planned at this time.

BUSINESS PLAN/OPERATIONS

Managers and staff will receive alcohol server training through Loss Control Services, annually. Newly hired staff will complete an online training course. Staff must card anyone that appears under 35 years of age. If a staff member fails a youth alcohol compliance check, they will be suspended. Staff members that pass a compliance check will receive a \$100 gift card.

There are surveillance cameras with comprehensive coverage within the premises.

Entertainment will consist of prerecorded background music.

Staff will remove litter within 100 feet of the premises in the morning, after lunch service and at the end of the night.

Although Smack Shack does not anticipate any noise issues, any noise complaints will go to the manager on duty who will respond by decreasing the volume of their music or asking guests, who are outside the premises, to be mindful of their neighbors.

The menu will include items such as; crab cakes, steamer clams with garlic butter, fried clam strips, buffalo wings, clam chowder, lobster and corn chowder, salad, raw oysters, lobster/crab rolls, po' boy sandwiches, whole lobster, crab claws, fish of the day, salmon, New York strip, rib eye and fried chicken ranging in price from \$3.95 to \$35.

There will be four amusement devices consisting of retro video game consoles.

Charitable gambling in the form of the Minnesota Tri-Wheel and pull-tabs will be held at the Smack Shack by the Church of Incarnation. They are not planning to sponsor local sports teams.

PUBLIC HEARING SUMMARY

A public hearing is required for this license application. 215 notices were mailed to residents and property owners within 300 feet of the premises on January 3, 2013. An electronic notice was emailed to the North Loop Neighborhood Association, the Downtown West Neighborhood Association and the Warehouse District Business Association on January 2, 2013. The public hearing will be held on January 14, 2013 at the Regulatory, Energy and Environment Committee meeting.

RECOMMENDATION

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class E license.

LICENSE CONDITIONS

None at this time.